

Mr. Cox,

We met several times when you were a Senator here in CA. and I was the editor of the Orange Co. Young Republican's newsletter. I greatly respected your work then as I do now.

I am deeply concerned by this "boxing match" going on between the FPA, RIA's, and all of the brokerage firms. It is simply a battle of a small set of special interest groups that got upset when brokerage firms started offering clients a better choice of fee based trading vs. commissions. They felt we were "encroaching" on their territory so what does every good American special interest group do...sue in court.

The problems lie in the fact that our laws are archaic at best, and ill equipped to handle today's global financial markets. The fact that the laws are called the "1934 act" and the "1940 act" should tell us that we need a major revision of our system. America is the only developed country in the world where a client can't walk in and get banking, brokerage, and wealth management advice from one person. If we don't change, how many upscale clients will just transfer to London, to get all the services they want under one roof. Look at how many companies are already eschewing the NYSE in favor of the other global exchanges because of our restrictive laws.

The world is changing, and we are quickly becoming the second choice. That is not a favorable position to work from. I hope you will continue your fight to change, modernize and update our regulatory system, so that we can remain competitive with the rest of the globe, and the client gets the benefit of choice, service, and quality that they deserve.

Sincerely,

Tim Sagehorn

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